

Message Text

LIMITED OFFICIAL USE

PAGE 01 KARACH 00094 01 OF 02 141341Z

50

ACTION EB-07

INFO OCT-01 ARA-06 NEA-09 IO-10 ISO-00 FEAE-00 L-02 FRB-01

OMB-01 TAR-01 SP-02 AGR-05 AID-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 OIC-02 RSC-01 SIL-01 STR-01

TRSE-00 CIEP-01 CEA-01 DODE-00 PM-03 H-01 NSC-05

PA-01 PRS-01 SS-15 USIA-06 NIC-01 AF-06 EA-06 EUR-12

SAM-01 SAJ-01 /127 W

----- 021918

R 140750Z JAN 75

FM AMCONSUL KARACHI

TO SECSTATE WASHDC 8602

INFO AMEMBASSY ISLAMABAD

US MISSION GENEVA 71

AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE SECTION 1 OF 2 KARACHI 0094

E.O. 11652: N/A

TAGS: ETRD, UNCTAD, PK

SUBJECT: THIRD WORLD ECONOMIC FORUM, KARACHI - JANUARY 5-10

REF: A. KARACHI 0015 B. KARACHI 0070 (NOTAL)

DEPARTMENT REPEAT TO OTHER ADDRESSEES AS DESIRED

SUMMARY: THIRD WORLD ECONOMIC FORUM HELD WHAT WAS DESCRIBED AS ITS "INAUGURAL MEETING" IN KARACHI JANUARY 5-10. FORUM IS GROUP OF PRIVATE AND GOVERNMENTAL INTELLECTUALS FROM DEVELOPING COUNTRIES AND INTERNATIONAL ORGANIZATIONS ORIGINALLY CONCEIVED IN DISCUSSIONS AT STOCKHOLM ENVIRONMENT CONFERENCE 1971 AND ELABORATED FURTHER MAINLY AT ECLA HEADQUARTERS, SANTIAGO. PARTICIPANTS IN KARACHI MEETING INCLUDED ABOUT 42 REPRESENTATIVES FROM 22 COUNTRIES, 7 UN REGIONAL AND SPECIALIZED ORGANIZATIONS AND THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KARACH 00094 01 OF 02 141341Z

PLO. MEETING WAS AIDED BY GRANTS FROM CANADIAN AND SWEDISH

GOVERNMENTS AND SPONSORED LOCALLY BY NATIONAL BANK OF PAKISTAN. DELEGATES WERE ADDRESSED BY GOP MINISTER OF STATE FOR FOREIGN AFFAIRS AND RECEIVED BY PRIME MINISTER BHUTTO. PRESS COVERAGE WAS EXTENSIVE, INCLUDING SUPPLEMENTS AND EDITORIALS. CONFERENCE LEADERSHIP STRESSED PRIVATE, NON-GOVERNMENTAL CHARACTER OF ORGANIZATION. DISCUSSION CENTERED AROUND MEANS OF ACHIEVING "THIRD WORLD" SOLIDARITY IN THE WAKE OF SUCCESS OF OIL PRICE INCREASE, IN ORDER TO ENHANCE STRENGTH OF DEVELOPING COUNTRIES VIS-A-VIS DEVELOPED WORLD. FORUM ENDED BY ADOPTING A CHARTER AND CONSTITUTION, DECLARING THE GROUP A "PERMANENT" ORGANIZATION AND TENTATIVELY SCHEDULING NEXT MEETING IN MEXICO. END SUMMARY.

1. SPEAKERS AT OPENING SESSION REFERRED TO GENESIS THIRD WORLD ECONOMIC FORUM IN CORRIDOR CONVERSATIONS AT 1971 STOCKHOLM CONFERENCE ON ENVIRONMENT. A SMALL PREPARATORY MEETING WAS HELD IN SANTIAGO UNDER ECLA AUSPICES IN 1973 AND DECLARATION ISSUED AT THAT TIME LOOKING FORWARD TO A FUTURE CONCLAVE WHICH FINALLY EVENTUATED IN KARACHI THIS MONTH. UNCTAD SECRETARIAT, IN COOPERATION WITH EMINENT PAKISTANI ECONOMIST MAHBOOB UL HAQ (NOW ON IBRD STAFF), APPEARS TO HAVE CARRIED THE BALL IN ORGANIZING KARACHI SESSION. BUREAUCRATIC WORK DONE BY ROBERT SALLERY, AN OFFICIAL OF CANADIAN AID AGENCY CIDA, WHO HAS BEEN FOR SOME TIME ON DEPUTATION TO ECLA HEADQUARTERS, SANTIAGO. ECLA EXECUTIVE SECRETARY IGLESIAS APPROACHED CANADIAN AND SWEDISH GOVERNMENTS FOR HELP IN FINANCING KARACHI SESSIONS AND RECEIVED ABOUT \$50,000 FROM EACH, TO COVER INTERNATIONAL TRAVEL OF PARTICIPANTS AND PART OF THEIR EXPENSES IN KARACHI.

2. THERE WERE ABOUT 42 PARTICIPANTS FROM 22 COUNTRIES (MOSTLY AFRICA, ASIA AND LATIN AMERICA), ALTHOUGH TWO EUROPEAN COUNTRIES SENT ACADEMICIANS OF "THIRD WORLD" ETHNIC ORIGIN) AND SEVEN UN REGIONAL AND SPECIALIZED ORGANIZATIONS. PARTICIPANTS AND THEIR AFFILIATIONS DETAILED REF. B WHICH DID NOT, HOWEVER, INCLUDE ANIS A. SAYEGH, DIRECTOR, PLO RESEARCH CENTER, LEBANON, WHO ARRIVED ON LAST DAY OF FORUM SESSION. MAHBOOB UL-HAQ TOLD PRESS TOWARD END OF SESSION THAT CHINESE (PRC) SYMPATHIZED WITH GOALS OF FORUM AND HAD INTENDED TO SEND A REPRESENTATIVE, BUT WAS UNABLE TO DO SO BECAUSE OF THE "SHORT NOTICE". STEERING COMMITTEE FOR PREPARATION OF FORUM CONSISTED OF IGLESIAS, MAHBOOB UL HAQ, AND SAMIR AMIN, DIRECTOR, UNIDEP, DAKAR. FORUM LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KARACH 00094 01 OF 02 141341Z

ELECTED AS CHAIRMAN FOR THIS KARACHI MEETING GAMANI COREA, FORMER CEYLONSE PLANNING OFFICIAL, CURRENTLY SECRETARY GENERAL, UNCTAD, GENEVA. FINAL SESSION SELECTED NINE-MEMBER EXECUTIVE COMMITTEE (NAMES NOT YET AVAILABLE, WILL BE FORWARDED SEPARATELY). KEYNOTERS AT OPENING SESSION STRESSED INTELLECTUAL, PRIVATE, NON-GOVERNMENT-AL CHARACTER OF BODY, STATING SPECIFICALLY THAT GOVERNMENT OFFICIALS WHO DID ATTEND (THERE APPEAR TO HAVE BEEN ABOUT NINE SUCH) WERE THERE STRICTLY IN THEIR PRIVATE CAPACITY. DOMINANT

PERSONALITIES OF THE FORUM'S KARACHI MEETING APPEAR TO HAVE BEEN MAHBOOB UL HAQ, WHO GAVE NUMBER OF PRESS INTERVIEWS IN DAYS BEFORE OPENING, AND GAMANI COREA, WHO GAVE DAILY PRESS BRIEFINGS AT END OF CLOSED SESSIONS.

3. GOP PARTICIPATION, WHILE KEYED TO THE "PRIVATE" CHARACTER STRESSED BY THE FORUM LEADERS, WAS NEVERTHELESS EXTENSIVE AND HIGH LEVEL, AND PRESS COVERAGE, WHILE DELAYED UNTIL A FEW DAYS BEFORE OPENING, REACHED VIRTUAL SATURATION LEVEL DURING CONFERENCE. OPENING SESSION WAS KEYNOTED BY MINISTER OF STATE FOR FOREIGN AFFAIRS AZIZ AHMED.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 KARACH 00094 02 OF 02 141412Z

50

ACTION EB-07

INFO OCT-01 ISO-00 FEAE-00 L-02 FRB-01 OMB-01 TAR-01 SP-02

AGR-05 AID-05 CIAE-00 COME-00 INR-07 IO-10 LAB-04

NSAE-00 OIC-02 RSC-01 SIL-01 STR-01 TRSE-00 CIEP-01

CEA-01 DODE-00 PM-03 H-01 NSC-05 PA-01 PRS-01 SS-15

USIA-06 NIC-01 AF-06 ARA-06 EA-06 EUR-12 NEA-09 SAM-01

SAJ-01 /127 W

----- 022294

R 140750Z JAN 75

FM AMCONSUL KARACHI

TO SECSTATE WASHDC 8603

INFO AMEMBASSY ISLAMABAD

USMISSION GENEVA

AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE SECTION 2 OF 2 KARACHI 0094

PRIMIN BHUTTO, MUCH TO SURPRISE OF FORUM PARTICIPANTS, INVITED THEM ALL ON 7 JAN TO HIS NATIVE TOWN LARKANA WHERE HE WAS HOLDING COURT, THEREBY GREATLY DIGNIFYING FORUM BUT LEADING TO GRUMBLING AMONG SERIOUS-MINDED ACADEMICIANS WHO RESENTED LOSS OF DAY OF DELIBERATIONS AND POSSIBLE

OPPORTUNITY TO READ THEIR CAREFULLY PREPARED PAPERS. LOCAL SPONSORING ORGANIZATION WAS NATIONAL BANK OF PAKISTAN (GOVERNMENT-OWNED COMMERCIAL BANK) INSTEAD OF MORE OFFICIAL STATE BANK OF PAKISTAN, WHICH WAS EVIDENTLY FIRST APPROACHED. NATIONAL BANK HOWEVER, WENT ALL OUT, ASSIGNING, WE UNDERSTAND, AS MANY AS 50 JUNIOR OFFICERS TO SEE TO WELFARE OF PARTICIPANTS AND CONTRIBUTING FUNDS TO COVER THEIR FULL EXPENSES, OVER AND ABOVE THOSE COVERED BY CANADIAN AND SWEDISH FINANCING, EVEN INCLUDING SIGHT-SEEING AND INCIDENTAL EXPENSES. PRESS TREATMENT REPORTED INTERVIEWS AND BRIEFINGS IN DETAIL AND EDITORIALS EXULTED IN NEW FOUND STRENGTH OF "THIRD WORLD" AS EXEMPLIFIED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KARACH 00094 02 OF 02 141412Z

BY SUCCESS OF OIL INCREASE. NOTEWORTHY, HOWEVER, THAT COVERAGE OF OPENING SESSION (ONLY ONE WHICH I WAS INVITED TO ATTEND) GAVE FULL TREATMENT TO RELATIVELY MODERATE AZIZ AHMED SPEECH WHILE DOWNPLAYING

MUCH MORE MILITANT (IN SOME CASES ALMOST INFLAMMATORY) SPEECHES OF INGLESIAS, MAHBOOB UL HAQ, AND AMIN, WHO PLAYED DEVELOPED WORLD FOR EVERYTHING FROM ECONOMIC EXPLOITATION TO "SEDUCING" THIRD WORLD ECONOMISTS WITH DEVELOPED WORLD LIFE STYLES AND ECONOMIC THEORY (MAHBOOB UL HAQ).

4. SUBSTANTIVE DISCUSSION AND PAPERS CENTERED ON TWO MAIN SUBJECTS: "NEW INTERNATIONAL ECONOMIC ORDER"; AND "STYLES AND STRATEGIES OF DEVELOPMENT". ACCORDING TO PRESS, CONCRETE PROPOSALS AT FINAL SESSION INCLUDED: ESTABLISHMENT OF "COMMODITIES BANK" TO BE FINANCED BY OIL PRODUCING COUNTRIES (PRESUMABLY TO HELP NON-OIL PRODUCERS ENFORCE CARTEL PRICING POLICIES); PROMOTION OF PRODUCERS' ASSOCIATIONS FOR "CERTAIN COMMODITIES"; ENHANCED TRADE AMONG "THIRD WORLD" COUNTRIES; ESTABLISHMENT OF PAYMENTS UNION WITHIN "THIRD WORLD"; AND "TERMINATION OF ALL UNFAVORABLE CONTRACTS, LEASES, AND CONCESSIONS GIVEN MULTI-NATIONAL CORPORATIONS BY DEVELOPING COUNTRIES FOR EXPLOITATION OF THEIR NATURAL RESOURCES AND THEIR RENEGOTIATION". (CONGEN OBTAINING COPIES FINAL COMMUNIQUE, CONSTITUTION AND CHARTER MENTIONED AS HAVING BEEN ADOPTED AT FINAL SESSION AND WILL POUCH TO DEPARTMENT WHEN AVAILABLE.) PARTICIPANT FROM MEXICO CONVEYED HIS GOVERNMENT'S OFFER TO HOST NEXT MEETING OF FORUM. SUBJECT OF FUTURE FINANCING FROM DEVELOPED COUNTRIES NOT DISCUSSED OPENLY, BUT CANADIAN OBSERVER TOLD ME HE WOULD NOT RPT NOT RECOMMEND THAT HIS GOVERNMENT FINANCE FURTHER SUCH MEETINGS.

5. COMMENT: KARACHI SESSION APPEARED TO BE VERY MUCH DOMINATED BY OIL PRICE RISE, TO WHICH PARTICIPANTS FROM NON-OIL PRODUCING COUNTRIES PAID HOMAGE AS A SYMBOL OF NEW-FOUND "THIRD WORLD" STRENGTH BUT AT SAME TIME STAKED THEIR CLAIM TO LARGESSE FROM OIL-PRODUCING COUNTRIES. (REPRE-

SENTATION OIL-PRODUCING COUNTRIES LIMITED TO KUWAIT,
NIGERIA, VENEZUELA AND MEXICO.) IN THIS ATMOSPHERE THERE
WAS INEVITABLY GREAT DEAL OF HARD TALK AGAINST "NEO-COLONIALISM",
EXPLOITATION OF DEVELOPING COUNTRIES BY THE DEVELOPED WORLD,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 KARACH 00094 02 OF 02 141412Z

AND ESPECIALLY EXPRESSIONS OF GLEE THAT DEVELOPED COUNTRIES
ARE NOW HAVING TO FACE FOR FIRST TIME CONSEQUENCES OF A
DETEIORATION IN TERMS OF TRADE WITH THE "THIRD WORLD". THERE
WAS ALSO MUCH TALK OF THE DESIRABILITY OF INDEPENDENCE FROM
DEVELOPED WORLD SUPPORT, BUT THIS CONTRASTED STRANGELY
WITH CONCURRENT COMPLAINTS THAT DEVELOPED COUNTRIES WERE
TRYING TO USE THE OIL CRISIS AS AN EXCUSE TO EVADE THEIR
FINANCIAL OBLIGATIONS TO THE DEVELOPING WORLD.

6. ALL IN ALL, SESSION'S PRONOUNCEMENTS, COMMUNIQUE,
STUDY PLANS, ETC., STRUCK THIS OBSERVER AS RATHER
VAPOROUS INTELLECTUAL EXERCISE AND IT APPEARED DOUBTFUL
THAT THIS GROUP WOULD BECOME SIGNIFICANT RALLYING POINT
FOR "THIRD WORLD" SOLIDARITY EFFORTS. MAHBOOB UL HAQ IN
OPENING ADDRESS, PERHAPS SENSING THAT THIS REACTION
MIGHT BE A FAIRLY GENERAL ONE, POINTED OUT THAT
BIG THINGS SOMETIMES GROW FROM SMALL BEGINNINGS, AS WITNESS
THE INAUGURATION OF OPEC IN 1960, AT WHICH TIME NO ONE TOOK
ANY NOTICE OR WOULD HAVE BELIEVED THAT 13 YEARS LATER SUCH AN
INSIGNIFICANT GROUP WOULD SET THE WHOLE WORLD ON ITS EAR.
WE WILL SEE.
TIGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NONALIGNED NATIONS, ECONOMIC PROGRAMS, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975KARACH00094
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750014-0069
From: KARACHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750154/aaaabvkw.tel
Line Count: 255
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 KARACHI 0015, 75 KARACHI 0070
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 11 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 JUN 2003 by KelleyW0>; APPROVED <12 JUN 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: THIRD WORLD ECONOMIC FORUM, KARACHI - JANUARY 5-10
TAGS: ETRD, PK, UNCTAD
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006